ORIGINAL

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

In the Matter of
Billed Party Preference
for 0+ InterLATA Calls

CC Docket No. 92-77

77 FILE

To: The Commission

RECEIVED

JUL - 7 1992

FEDERAL COMMUNICATIONS COMMISSION OFFICE OF THE SECRETARY

COMMENTS OF THE COMPETITIVE TELECOMMUNICATIONS ASSOCIATION

Richard E. Wiley Danny E. Adams Brad E. Mutschelknaus

WILEY, REIN & FIELDING 1776 K Street, N.W. Washington, D.C. 20006 (202) 429-7000

Genevieve Morelli
Vice President and
General Counsel
COMPETITIVE
TELECOMMUNICATIONS
ASSOCIATION
1140 Connecticut Ave., N.W.
Suite 220
Washington, D.C. 20036
(202) 296-6650

No. of Copies rec'd_ List A B C D E

Its Attorneys

July 7, 1992

TABLE OF CONTENTS

		<u>rage</u>					
SUMMARY							
INTRODUCTION							
ı.		ed Party Preference Does Not Offer Any Significant ntages Over Presubscription					
	A.	Congress and the FCC Already Have Acted to Alleviate Consumer Difficulties with Presubscription					
	В.	The Benefits of Billed Party Preference are Illusory and can be Equally Realized Under the Current System					
		1. Presubscription Offers the Convenience of 0+ Dialing and an Easy Means of Access to Individual Carriers					
		2. The Commission Already Has Acted Effectively to Redirect "0+" Competition Toward Consumers					
		3. AT&T's Competitive Advantage Stems Primarily from its Proprietary CIID Card, Not the System of Premise Owner Presubscription 9					
II.		Advantages of Billed Party Preference Are Heavily eighed By the System's Substantial Drawbacks 11					
	A.	Relatively Few Callers Will Derive Any Benefit From Billed Party Preference Because They Already Reach Their Preferred Carrier					
	В.	Billed Party Preference Will Make "0+" Dialing Less Convenient and More Time-Consuming 13					
	c.	Billed Party Preference Will Sacrifice Uniformity in "0+" Dialing					
III.	The Coutwe	Extraordinary Expense of Billed Party Preference Far eighs Any Perceived Benefits 21					
IV.		atory Use of Billed Party Preference Will le Innovation and Technological Development 23					

<u>Page</u>

	Billed Party Preference Will Have a Devastating Economic Impact Upon Call Aggregators Who Depend Upon Their "0+"	;
	Commission Stream	į
	If Billed Party Preference is Required, Separate "O+"	_
	Balloting Must Be Conducted	ŗ
CONCI	USION)

SUMMARY

Billed party preference is an appealing concept, but the system is undesirable in practice. The Commission is attracted by the promise that billed party preference will make it easier and less costly for consumers to place operator services calls. The unfortunate truth, however, is that billed party preference will make "0+" dialing much more complicated and expensive than it is currently.

The more than one-half of "0+" calls which require the assistance of a live or robotic operator for call completion (i.e. collect calls, third number billed calls, etc.) would involve a second -- and sometimes third -- operator under billed party preference. Consumers will be predictably frustrated by the inconvenience and delay resulting from the interposition of the additional operators. The processing of automated "0+" dialed calling, too, will be substantially delayed by the need to launch duplicative validation queries.

The placement of "0+" calls will be further complicated by the fact that "0+" dialing cannot be made uniform in a billed party preference environment. Presumably billed party preference will not work at countless locations which do not route "0+" calls through a LEC switching center. Prominent examples include users of special access services, competitive access providers and automated store and forward devices. Callers will have no way of knowing in advance

whether billed party preference treatment will be applied to their "0+" calls or not. This will lead to consumer confusion and consternation.

Worse yet, this newfound complexity in "0+" dialing entails great expense. Previous estimates indicate that the system could cost over \$1 billion to develop and implement. This outlay is bound to drive operator services rates upward.

All operator services customers will be charged higher rates for billed party preference, even though 73 percent of all operator services calls and over 60 percent "0+" calls already are routed to the end user's "preferred" OSP.

There is no good reason to add this complexity, delay and expense to "0+" dialing. The Commission already has crafted regulations which insure that consumers receive information about presubscribed OSPs sufficient to make an informed choice and that carrier access codes are unblocked so that consumers can select alternative OSPs if they wish. Thus, the Commission already has created a system of "dialing party preference" which has the key virtues of the billed party preference proposal without the attendant problems and costs.

Billed party preference simply does not measure up to a dispassionate cost/benefit analysis. The Commission should decline to adopt the billed party preference proposal, and focus its attention upon the final implementation of a fair

and open "dialing party preference" system of "0+" presubscription.

RECEIVED

Before the FEDERAL COMMUNICATIONS COMMISSION Washington, D.C. 20554

JUL - 7 1992

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of)	01110201 1112
Billed Party Preference for 0+ InterLATA Calls)))	CC Docket No. 92-77
)	
)	

To: The Commission

COMMENTS OF THE COMPETITIVE TELECOMMUNICATIONS ASSOCIATION

The Competitive Telecommunications Association
("CompTel"), by its attorneys, hereby submits these comments
in response to the Commission's request for information
concerning a proposal to implement "billed party preference"
for 0+ interLATA calls. CompTel is the principal trade
association of the nation's competitive interexchange
telecommunications carriers, with approximately 120 member
companies, including large nationwide interexchange carriers
("IXCs") as well as scores of smaller, regional carriers.
Many of CompTel's members provide operator-assisted calling
services either as an adjunct to their direct-dialed
interexchange services or as a distinct line of business.

INTRODUCTION

The Commission launched this proceeding to consider the advantages and disadvantages of a system in which all calls dialed on a "0+" basis would be routed to an operator service provider ("OSP") preselected by the party paying for the

call, rather than to the OSP chosen by the owner of the telephone from which the call was placed. The Commission tentatively concluded that the "concept" of billed party preference, if implemented on a nationwide basis for all 0+ interLATA calls, could benefit users of operator services. The Commission noted, however, that it did not have sufficient information about the costs that would be incurred in implementing such a system, or about other measures that could achieve similar benefits as would billed party preference.

Billed party preference is proposed as a substitute for the current system of presubscription and should be judged in comparison with that system. Although the billed party preference concept has some superficial appeal, the benefits of billed party preference over the current system are, when examined closely, illusory. Moreover, the likely substantial cost and delay of a conversion to billed party preference, coupled with increased inconvenience in placing "0+" calls, make billed party preference less desirable than the current system.

Billed Party Preference for 0+ InterLATA Calls, CC Docket No. 92-77 Notice of Proposed Rulemaking, ¶ 13 (Released May 8, 1992) (hereinafter "NPRM").

- I. Billed Party Preference Does Not Offer Any Significant Advantages Over Presubscription.
 - A. Congress and the FCC Already Have Acted to Alleviate Consumer Difficulties with Presubscription.

In the NPRM, the Commission stated that in the current operator services marketplace, consumers become "frustrated and confused by call blocking, their mistaken assumptions as to which carrier would handle their call when they use a particular calling card, and by the need to use access codes, and to know when to use them." These problems, however, either already have been addressed by the Commission or are by-products of the transition to competition which will decrease as consumers become more accustomed to choices in operator services, just as equal access and residential presubscription, initially unwelcome to many consumers, has proven to be of significant competitive benefit.

In the past few years, Congress and the FCC have taken several important steps to alleviate customer confusion. The FCC adopted regulations to ensure that consumers have adequate information about the OSP presubscribed to each phone. OSPs are required to provide two audible brands before completing a call, post on or near the phone the name

NPRM at ¶ 14.

³ 47 C.F.R. § 64.703(a).

of the OSP serving the phone⁴ and provide rate quotes upon request.⁵

Congress and the FCC also established requirements which insure that consumers are able to access the carrier of their choice from any phone, regardless of the carrier presubscribed to the phone. Thus, as required by the Telephone Operator Consumer Services Improvement Act ("TOCSIA"), 6 the FCC adopted rules requiring all OSPs to provide "950" or "1-800" access numbers for their customers to reach them and required aggregators to unblock all carrier access codes. 7

These actions have both stimulated competition in operator services and resolved most problems experienced by consumers under unrestricted "0+" presubscription. Through signage and branding, consumers receive information about the carrier providing service in a concise and convenient format. And consumers who do not wish to place their calls through the presubscribed carrier now have several methods of dialing

⁴ Id. § 64.703(b).

⁵ <u>Id</u>. § 64.703(a).

⁶ 47 U.S.C. § 226.

Policies and Rules Concerning Operator Service
Access and Pay Telephone Compensation, CC Docket No. 91-35,
Report and Order and Further Notice of Proposed Rulemaking, 6
FCC Rcd. 4736 (1991). The Commission recently stayed the
unblocking requirements until the local exchange telephone
companies ("LECs") implement mechanisms to protect
aggregators from fraudulent uses of 10XXX access.
Id., Order on Reconsideration, FCC 92-275, (news release,
June 25, 1992).

around it. Although these actions are relatively recent, they have taken hold with amazing rapidity. Most consumers already have become attuned to the need to listen for the brand, and the use of access code dialing has increased substantially over the past two years. As consumers become increasingly aware of these options, both through OSP marketing and consumer experience, the problems will continue to subside, as they did upon the diminution of AT&T's "1+" monopoly in the 1980's.

Thus, it has been said that presubscription in combination with the consumer information and aggregator unblocking required by the Commission, have created an effective system of "dialing party preference" -- in contrast to either simple presubscription or the billed party preference system addressed herein. The "dialing party" effectively chooses his carrier, either by consciously choosing to purchase service from the presubscribed OSP or electing to use an access code to select an alternative carrier. The Commission and the Congress are to be commended for their painstaking and successful efforts in devising this system of "dialing party preference" and the Commission

For example, one private payphone owner reports that the use of "10288" access code dialing increased from 12.88 percent of call attempts to 23.07 percent of call attempts between October 1990 and April 1991. APCC Reply Comments CC Docket 91-35, exh. 2 (filed April 26, 1991). The aggressive OSP marketing of these access codes -- such as the ubiquitous AT&T signage at airports encouraging patrons to dial "10288" -- insures that consumers will become increasingly aware of their alternatives.

should realize that its successful undertaking has already resolved the basic problems which billed party preference is intended to rectify.

B. The Benefits of Billed Party Preference are Illusory and can be Equally Realized Under the Current System.

In the NPRM, the Commission identifies three principal benefits to be achieved through billed party preference.

First, it is said that billed party preference would be "user-friendly" because it would permit calls to be completed on a 0+ basis, without the need for consumers to recall access codes. Second, billed party preference would focus the carrier's efforts directly on consumers placing the calls. Finally, billed party preference would increase "parity" in operator services by deemphasizing the advantage large carriers have in obtaining presubscriptions. None of these benefits, however, are linked exclusively to billed party preference. Presubscription offers similar benefits with much less cost and confusion, and is more conducive to full and fair OSP competition.

⁹ NPRM at \P 16.

^{10 &}lt;u>Id</u>. at ¶ 19.

^{11 &}lt;u>Id</u>. at ¶ 20.

1. Presubscription Offers the Convenience of 0+ Dialing and an Easy Means of Access to Individual Carriers.

The central proffered benefit of billed party preference is its promise to users that they can connect to their preferred carrier simply by dialing "0+" the called number. However, as explained more fully hereafter, 12 callers already are connected automatically to their "preferred" carrier over 60 percent of the time because the presubscribed OSP also is their "preferred" OSP. Many other consumers have no particular "preferred" carrier and their use of "0+" dialing also connects them to a satisfactory carrier.

It is only when a caller has a strong preference for a carrier other than the presubscribed carrier that billed party preference offers any benefits. Even in this situation, however, access code dialing is a convenient substitute for billed party preference. Consumers need only dial a few digits, usually a 5 digit code or an easily-remembered 800 number, in order to connect to a different carrier. This burden is minimal, particularly when compared to the likely substantial disruption and cost of implementing billed party preference.

2. The Commission Already Has Acted Effectively to Redirect "0+" Competition Toward Consumers.

The Commission apparently believes that presubscription, and the commission system for public phone owners, improperly

See Section II.A., infra.

focuses OSP competition upon aggregators at the expense of end users. This, however, is not the case, as OSPs have sufficient incentives to provide high quality service to end users of public phones. Indeed, OSPs who do not satisfy the needs of both end users and location owners cannot succeed under the present system.

The Commission's OSP identification and rate quote policies provide consumers with knowledge of the carrier handling the call and its proposed charges before placing a call. Signage at each phone also informs consumers how to lodge complaints with the carrier and responsible regulators, and educates them regarding the right to utilize access codes to reach alternative carriers. Unless OSPs provide consumers with dependable service at reasonable rates, callers will exercise their option to bypass the presubscribed carrier by dialing access codes. Moreover, an OSP which charges unreasonable rates runs the risk of a high rate of uncollectible debt. Thus, presubscribed OSPs interact with consumers in a direct and meaningful fashion, and consumer dissatisfaction in the ultimate discipline of OSP behavior.

Where the Commission believes that individual OSPs may be charging unreasonable rates or engaging in unreasonable practices, the Commission has not hesitated to exercise its jurisdiction as required to curb possible abuses. See, e.g., Telecommunications Research & Action Center v. Central Corp., 4 FCC Rcd. 2157 (Com. Car. Bur. 1989); Conquest Telecommunications, Inc., 6 FCC Rcd. 6713 (Com. Car. Bur. 1991); CPS Operator Services, Inc., 6 FCC Rcd. 6720 (Com. Car. Bur. 1991).

In addition -- and in response to consumer desire -call aggregators demand that OSPs provide reliable service at
reasonable rates. Many aggregators, such as hotels,
hospitals, and universities, are engaged in service
businesses, which include quality telephone service as a part
of the service package they offer. These aggregators are
extremely sensitive to the wishes of their patrons, and they
hold OSPs answerable for complaints made by their guests. An OSP that fails to satisfy end users eventually loses the
aggregator as a subscriber, regardless of the commission the
OSP pays.

3. AT&T's Competitive Advantage Stems Primarily from its Proprietary CIID Card, Not the System of Premise Owner Presubscription.

In the NPRM, the Commission expressed concern that AT&T's large size gives it a competitive advantage over other IXCs and OSPs in obtaining presubscriptions. There is no denying that AT&T has substantial market power in "0+" services which it has been able to employ effectively to restrain competition. However, AT&T's principal advantage is derived from the market distortion caused by its roll-out of a proprietory "0+" calling card, not by the presubscription system itself.

Indeed, one of the main problems with AT&T's proprietary CIID card is that it creates, to AT&T's advantage, a customer dissatisfaction that is misdirected to the OSP and the aggregator, rather than to AT&T.

Prior to the deployment of AT&T's CIID cards, competition grew steadily. AT&T had a monopoly in "0+" services as recently as 1985, but scores of new OSP competitors entered the "0+" market in succeeding years. Indeed, the advent of public payphone presubscription in 1988 served as a catalyst which drew many traditional "1+" IXCs into the "0+" market. And the development of automated store and forward technology encouraged still others to begin providing "0+" services. This is a remarkable record of competitive entry over such a short period of time, and it all occurred in a system of premises owner presubscription.

The principal threat to the continued development of competition is AT&T's recent introduction of proprietary calling cards. It is the use of proprietory "0+" cards by the dominant carrier, not the presubscription system itself, that distorts and impedes the further development of a competitive market. For this reason, CompTel has urged the Commission to preserve the system of "0+ in the public domain" that existed before AT&T introduced its CIID card, and CompTel repeats this plea here. 15

Indeed, CompTel firmly believes that billed party preference will seriously impede the ability of new and small IXCs to compete in the "0+" marketplace. Under the current

See Emergency Motion For An Interim Order Requiring AT&T To Cease Further Distribution of "Proprietary" CIID Cards and Permit Validation and Billing of Existing Cards, filed by CompTel in CC Docket 91-115, December 20, 1991.

presubscription system, small OSPs may begin providing services on a regional, or even local, basis and expand from there as appropriate. By contrast, a billed party preference system effectively requires that OSPs offer nationwide originating services over Feature Group D. This is an extraordinarily difficult and costly undertaking which only three or four IXCs can boast today. It is, plainly put, a massive barrier to entry in the operator assisted calling submarket. Rather than increase the level of competitive activity, CompTel believes that billed party preference significantly reduces it by consigning the "O+" market to large nationwide carriers at the expense of regional OSPs and new entrants. 16

II. Any Advantages of Billed Party Preference Are Heavily Outweighed By the System's Substantial Drawbacks.

The Commission's desire to make "0+" dialing more convenient for end users is laudable. However, the billed party preference system proposed by the Commission simply does not achieve that goal. On the contrary, billed party preference will make "0+" dialing less convenient and more complex for the vast majority of callers.

¹⁶ CompTel recognizes that the Commission has proposed to alleviate this problem by enabling end users to choose both a primary and secondary OSP. The secondary OSP would provide service in areas where the primary OSP lacks facilities. CompTel strongly believes that this idea is both unworkable and unrealistic from a marketing perspective. Consumers cannot be expected to deal with two OSPs when sole source suppliers are available.

End users demand maximum simplicity and speed in the placement of "0+" calls. For many such callers, their desire for expeditious call processing outweighs every other consideration in their choice of OSPs. It is this desire for efficiency that has preserved the popularity of "0+" over access code dialing, led to the development of "#" sign redial, "swipe" and voice cards, and caused OSPs to compete vigorously in reducing the time callers must wait for a "bong" tone or operator. Unfortunately, billed party preference goes in the opposite direction by making call processing less convenient and more time consuming for the vast majority of callers.

A. Relatively Few Callers Will Derive Any Benefit From Billed Party Preference Because They Already Reach Their Preferred Carrier.

The Commission must understand that the vast majority of "0+" callers reach their preferred OSP today even in the absence of billed party preference. The reality is that AT&T is the presubscribed carrier for both approximately 75 percent of "1+" lines at homes and offices¹⁷ and 80 percent of "0+" lines at aggregator locations. Presumably, then, at least 60 percent (.75 x .80) of "0+" callers already are

Long Distance Market Shares: First Quarter 1992, at 3, Industry Analysis Division, FCC (June 1992).

¹⁸ <u>See</u> Sprint Comments at 2, CC Docket 92-77 (filed June 2, 1992) (estimating AT&T share at 80%); APCC Comments at 3 n.1, CC Docket 92-77 (filed June 2, 1992) (estimating AT&T share at 75%).

routed to their "preferred" IXC for call processing. 19 These callers derive no benefit from billed party preference. Of the remaining 40 percent of "0+" callers, it is reasonable to assume that many, if not most, have no objection to sampling the services of the currently presubscribed carrier, whether that carrier is AT&T (as in 80 percent of the cases), MCI, Sprint or another OSP. These callers will experience all of the drawbacks of billed party preference described hereafter without reaping any discernible benefit.

B. Billed Party Preference Will Make "0+" Dialing Less Convenient and More Time-Consuming.

The Commission appears to be under the erroneous impression that billed party preference will be largely transparent to end users. That simply is not the case. Billed party preference interjects new complexity in the "0+" call processing sequence for both end users and carriers, and this new complexity translates into significant added inconvenience and delay. The severity of the ramifications vary by call type.

Of course, even this statistic significantly understates the number of callers who already reach their "preferred" OSP since all callers who utilize carrier access codes (i.e. "950," "1-800" and "10XXX") are automatically routed to their designated OSP. APCC reports that approximately one third of toll callers from public phones use such access codes. APCC Comments at 9, CC Docket 91-35 (April 12, 1991). If their usage is factored in, then approximately 73 percent of users of operator services reach their "preferred" carrier today.

The most serious problems occur in the processing of socalled "0+-" calls. These are calls which require the
intervention of live or robotic operators to assist the
caller. Typically, callers dial "0" plus the terminating
number and wait for an operator to come on line. Collect
calls, third number billed calls, calls where end users
provide card numbers verbally to live operators and most
commercial credit card calls all fall into this category.

Simply put, billed party preference will require the intervention of two operators on "0+-" calls where only one operator is required today. Under current industry plans for billed party preference, all such "0+-" calls will be routed to the LEC Operator Service System ("OSS"). A LEC operator must come on line and determine the nature of the call, launch a query to the LIDB database to identify the preselected OSP and then route the call to the OSP's operator center. After the OSP receives the call, the OSP's operator must answer and provide all the assistance required today. 20

The involvement of two operators where only one is required today will create serious problems. Callers will be understandably frustrated by having to give their

Notably, the identical problem occurs on calls dialed on a "00-" basis. These are calls where the end user dials "00" and awaits IXC operator intervention. Under billed party preference, the LEC operator would answer first, ascertain the preferred OSP, then route the call to the OSP for handling. The OSP operator then would come on line and perform the same functions which he or she does today. Hereafter, CompTel will use the term "0+-" to refer to both "0+-" and "00-" dialed calls.

instructions twice. Call processing will be delayed substantially; indeed, it is logical to assume that it will be nearly doubled. And the cost of interposing a second operator will be substantial. In the only situation where two operators is required today -- i.e. LEC "0-" transfer services -- the cost of call processing is driven up by an average of \$0.35 per call.²¹

The Commission has sought comment on whether the deployment of Automated Alternate Billing Services ("AABS") by the LECs will resolve this problem. It will not. As CompTel understands the system, AABS only replaces a live operator with a computer chip. The robotic operator still comes on line, queries the caller and requires the caller to respond with information. Indeed, in some ways AABS worsens the situation since callers with needs which are not included in the AABS menu presumably must default to a live LEC operator, thereby introducing yet a third operator into the call handling process.

This is no minor glitch in the system. The fact is that such "0+-" calls comprise a majority of all "0+" dialed calling. CompTel conducted an informal survey of its OSP members to determine the prevalence of such "0+-" calling. Statistics were received from 21 OSPs regarding over 6.3

Policies and Rules Concerning Operator Service
Access and Pay Telephone Compensation, CC Docket No. 91-35,
Second Report and Order, FCC 92-170, ¶ 36 (released May 8,
1992) (LEC 0-transfer service charges range from \$0.22 to
\$0.45 per call).

million "0+-" calls placed during April 1992. This study revealed that nearly 68 percent of all "0" dialed calls processed by the respondent companies were dialed on a "00-" or "0+-" basis -- all of which would require double operator involvement under the billed party preference system.

Another recent industry study revealed that "0+-" calls accounted for 48 percent of all "0+" dialed calls reported to the Commission last year. Thus, over half of all "0+" callers will experience substantial delays and inconvenience due to billed party preference.

The problems caused by billed party preference certainly are not limited to "0+-" calls. So-called "0++" calls are similarly afflicted. "0++" calls are placed by dialing "0" plus the terminating number, awaiting the return of a bong tone and then entering a calling card number. Currently the bong tone is generated by the IXC/OSP and the callers provide their calling card information directly to the IXC/OSP. This system is fundamentally changed by billed party preference. Under billed party preference, the bong tone is generated by the LEC OSS (or other LEC office) and callers provide their calling card information to the LEC. If callers proffer a "LEC joint use card" in payment, the LEC then launches a query to the LIDB database to ascertain the preferred carrier. On the other hand, if the caller uses a "CIID" or

The Operator, January 1992, p.7 (48 percent figure reflects a weighted average of "0+ Hotel" and "0+ Public" calls reported therein).

"891" calling card, the LEC screens the first six digits for routing instructions.

This system poses severe problems for OSPs wherever they are unable to interconnect with LECs via SS#7 common channel signalling. Absent SS#7 connectivity between the LEC OSS and OSP point of presence in each LATA, LECs apparently will be unable to pass the calling card information received from callers along to the designated OSP. 23 The OSP then will have to generate a second bong tone and require callers to input their card numbers a second time. Although LECs are supposed to be prepared to interconnect with IXCs on an SS#7 basis by March 1993 to support the rollout of the 800 database access system, which would permit number portability, it remains unclear when LECs will be prepared to interconnect with IXCs universally on an SS#7 signaling The customers located in areas where SS#7 interconnection is not available face the prospect of major new inconvenience in their dialing patterns.

However, the problems are not limited to carriers who lack SS#7 interconnection. Even when the LEC is able to route the end user's calling card information to the

SS#7 enables the LEC to send information to IXCs via "out-of-band" signaling. This allows the information to be transferred fairly quickly. It is conceivable that the same information theoretically could be sent "in band." However, as CompTel understands it, this would require major new software development and facilities acquisition. Even then, use of "in band" signaling would increase call processing times to intolerable levels. Thus, this option simply is not realistic.

designated OSP, such routing does not obviate the need for IXCs to validate the calling card used. In the instance of LEC joint use cards, for example, OSPs will be required to launch a second query to the LIDB database to validate the caller's account status. Presumably, while the validation query is underway, the OSP must interpose an appropriate recorded voice announcement (such as "ABC OSP is processing your call") to fill the dead time and encourage impatient callers not to hang up. Again, needless delay is added to the call processing sequence. Callers will be predictably and understandably annoyed.

Moreover, it is difficult to see how some of the most promising technical innovations in the operator services area will work at all in a billed party preference environment. Since voice recognition systems are based in the OSP operator handling system, will voice card users be unable to use "0++" dialing in the future? Will the extremely popular "#" sign redial feature of most calling cards be disabled by the need to pass through the LEC OSS? Will OSP voice messaging services be eliminated because the LEC is unable to determine

A second validation will be necessary because, under current industry plans, the carrier identification query to LIDB will consist only of the first ten digits. LECs will not confirm the four digit PIN. Moreover, even if the LEC launched a 14 digit LIDB query, an IXC must launch a second query because the LECs' LIDB tariffs expressly disclaim any responsibility for fraudulent use of their cards, e.g., Bell Atlantic Tariff FCC No. 1, Section 2.1.3, and the LECs can be expected to similarly disclaim any responsibility for billed party preference routing.

a preferred carrier for such calls? The answers to those and similar questions are not clear because the parameters of billed party preference have never been fully explained by the LECs. But it seems clear that many of these promising and beneficial features may be lost as part of the price paid for billed party preference.

C. Billed Party Preference Will Sacrifice Uniformity in "0+" Dialing.

The Commission recognizes that the "principal benefit of billed party preference" cannot be realized unless "dialing requirements [are] uniform around the country."²⁵ The truth is, however, that uniformity in dialing patterns is impossible under billed party preference. The resulting lack of uniformity inevitably will lead to major consumer confusion and frustration.

The starting point for call processing in a billed party preference system is the recognition of a call by the LEC end office as a "0+" type call. Once the end office identifies a "0+" call, the call is routed to the LEC OSS for billed party preference processing. The problem lies in the fact that a sizeable proportion of "0+" calls placed from aggregator locations either do not pass through the LEC end office or cannot be identified by the end office as "0+" calls.

The NPRM, for example, does not address how billed party preference would work at locations which utilize competitive

NPRM at \P 31.